App F IX 4

Previous References
Anl 275-32 5582/13

1933-34
(Anl)

File No 4-33
Serial Nos 122-—

Later References
Anl 27-33(164)

P-9-

General and Revenue Secretariat.

Serial Nos 2—

Part B for October 1933

SUBJECT

Reduction in the rate of admission from 4 as 6ᵖ Rs 0-3-11 in the New Opera Talkies and the Krishna Cinema at Mysore to evade payment of the Tax

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Es 2)

To The D C Mysore Draft

Do L 2648 of 30.X 33

Calls that in the absence of any provision in the rules no action can be taken against the theatre Co

EB 9.11-33

File No of 193 3—34

Serial No

From

The Deputy Commissioner, Bleu- Distt

No G 3 1146/32—33 Dt 8-6-33

Brings to the notice of Govt that the proprietors of New Opera Talkies and Kristin Cinema, Mysore have reduced the rate of admission from 4 as to 0/8/11 and that in spite of which admission, the proprietors have not restored the old rates and solicits instructions whether the licenses given to them may be suspended till the rates are restored

1 It is not clear under what provision of Law the D.C admonished a warning to the proprietors of the Cinemas referred to above

2 There seems to be no Law under which these proprietors can be compelled to adopt a particular rate of admission to the entertainments A proprietor would be liable to pay Penalty if he evades or fails to pay the tax due to Govt, under Law, even after charging rates of admission at annas four (vide Sec 5 of

3 It would not be possible to act upon the suggestion of the D.C to suspend the license, as it would

Contn Sheet

WD 30—GBPM—60 000—13-8-34

ultra vires

It is however clear that the reduction of one pie in the rate of admission was an attempt to evade the payment of tax which would otherwise be due. The Law Section may perhaps be consulted if any action could be legally taken against such proprietors.

5 Please put up a copy of the Regulation and the Rules

from 12/8/33 AV

6 copies of the Regulation & the Rules are put up

Am 15/9

from 16/8/33 AV

7 The file relating to notification No 2 7441 dt 27/5/33 may be put up

8 Is there any understanding or promise that payments for admission below 4 annas will not be taxed?

Am 20/8

The file 275-32 dt 8/7/33 leading to the notn dated 27/5/1933 is put up.

(On the reverse to see (3)(1) of the Amusements Tax Regulation 1932, it is definitely laid down that the tax shall not be leviable where the payment for admission is less than four annas. In view of this provision which seems to have been made to allow exemption to the poorer section of the public who generally resort to

Amusements Tax Regulation

General and Revenue Secretariat — File No 764 of 1933-34 — [App F III—2

Serial No

This clears the action can perhaps be taken under the minimum in the Statute as low as

11 Refer para 7 & 8 supra.

for 22/8/33 AM

12 The device referred to in the Bangalore letter for evading the payment of the tax as noted in Bangalore cy also vide ticket for 0-7-11 of the Paramount theatre placed in the file the four annas ticket is stated to have been reduced to 0-3-11 as in Mysore

13 The reduction of the minimum rate to abase or removal of it altogether is the best and most effective way of preventing such evasions, but that involves the amendment of the Regulation which cannot perhaps be thought of, at any rate for some time

14 The Dy Com's request for instructions as to whether the licenses may be suspended pending the restoration of the old rate. The licenses meant are apparently those issued under the Cinematograph Regn for the exhibition of the films. It is doubtful if these licenses can be suspended for an alleged default or evasion in respect of the provisions of a separate Regulation

15 The Law Section may be consulted in the matter.

Sent draft. 7/9

Dawson 16/9/33

AM 7/9

AM 23/8

Contn Sheet

GDPM—60 000—

File No* of 193

General and Revenue Secretariat

17 There is nothing in Reg VIII of 1932 to prevent the rates of admission being fixed as the owners think fit It is also clear that no tax is payable if the payment for admission to the entertainment is less than Four annas The reduction of the usual rate of 4 annas by one pie is no doubt made only to escape the tax A lawful evasion to pay a tax is no wrong and cannot be penalised — } X

18 I do not think any amendment of the Regulation is called for to prevent such evasions

Gen Secy)

mp 13/9/33

20 I agree

Ltm 25/9

21 I agree (The evasion will reduce receipts very much)

1/10/33

Ltm 11/10

Secy to Govr

mp 11/10 (33

12/10

101

Law

GENERAL SECT.

14 St

x As shewn by Lord Esher in 23 QBD 579 "if there be a means of evading a duty, so much the better for those who can evade it. It is no fraud upon the Crown if it is a thing which they are perfectly entitled to do"

mp 13/7

Ltr so called evasion was anticipated & for Govt have no objection so long as it is legal

Off Sec md M mb IC I

1 OCT 1933

No 2117

764

[App F III—1.

General Secretariat — File No 4 of 1933-34

Serial No

22 A draft reply to the D.C. Mysore District is submitted for approval

CS

11 OCT 1933

12 x 33 (Sd) Deeg

Addl Dy Secy

The letter

TYPING SECTION
26 OCT 1933
GENL & REV SECTN

The Deputy Commr, Mysore District No L 26468 dy 23.10.33

States that in view of the absence of any provision in the Amusements Tax Regulation 1932 to prevent the raising of admission for an entertainment being fixed by the proprietor as he thinks fit, no action can be taken against the proprietors as proposed by

15

31/X/33

E—Contn Sheet

File No	of 193	General and Revenue Secretariat

No G3 1146/32-33
Encl

OFFICE OF THE DISTRICT MAGISTRATE,
MYSORE DISTRICT

Dated Mysore 8th August 1933

From

C S Kuppuswamiengar, Esq ,
District Magistrate
Deputy Commissioner,
Mysore District Mysore

To

M V Ramaswami, Esq , M A ,B L ,
General Secretary to the Government of Mysore
Bangalore

With reference to Government Notification No L 7441/Mt 275-32-13 dated 15th May 1933 directing that the entertainments Tax shall be charged (i) at the rate of 3 pies where the payment for admission is 4 annas or more but is less than 8 annas, and (ii) at 12½ per cent where the payment for admission is 8 annas or more etc , I have the honor to state that since the 1st day of July 1933, the proprietors of New Opera Talkies and Krishna Cinema reduced the rate of admission from 4 annas to 0-3-11 They were sent for on 6th July 1933 and warned, since the reduction in the rate by one pie was a deliberate action to evade the payment of tax They pleaded that the change of rate was effected only to attract more audience Their statement is not convincing

Inspite of the warning administered, the proprietors of these two Cinemas have not restored the old rate of admission i e , of 4 annas as yet

Under the circumstances I solicit kind instructions as to whether the licenses granted to them may be suspended till they restore the old rates

I have the honor to be,
Sir,
Your most obedient servant,

Deputy Commissioner,
Mysore District

A N

GENERAL SECR

No L 7441—*Ml* 2,5 32 13 *d*

In modification of Government Notification N
the Government of His Highness the Maharaja
powers conferred by Sub Section (2) of Section 3 of
1932 that the entertainments tax shall be charged

(i) at the rate of 3 pies where the payment
less than 8 annas and

(ii at 12½ per cent where the pavment for ad
condition that in the determination of the amount
fractions of an anna less than six pies shall be dis
than six pies shall be regarded as one anna

By Order
H V RAMASVAMI
Secretary to Government
General D partment

Deputy General Secretary to Government

L 2648

To

The Deputy Commissioner,
Mysore District

Sir,

With reference to your letter No G 3 1146 of 32-33 dated the 8th August 1933 bringing to notice of Government that the proprietor of the New Opera Talkies and Krishna Cinema at Mysore have reduced the rates of admission from 4 annas to Re 0-3-11 with a view to evade payment of the Entertainments Tax and soliciting instructions as to whether the licenses granted to them may be suspended till they restore the old rate

I am directed to state that ~~there is nothing~~ in the Amusements Tax Regulation VIII of 1932 to prevent the rate of admission for an entertainment being fixed by the proprietor as he thinks fit ~~and it is also clear that under the proviso to Section 3 (1) of the said regulation, that no tax is payable if the payment for admission to the entertainment is less than 4 annas. In the circumstances, no action as proposed by you need not be~~ can be taken against the proprietors.

I have etc

for Chief General Secretary to Government

GOVERNMENT OF HIS HIGHNESS THE MAHARÂJA OF MYSORE

General and Revenue Secretaria[t]

Bangalore Dated 27th October 193 3
305

No L 2648
Agm J 4-33-2

From The *General Secretary to the Government of His Highness the Maharaja of Mysore*

To

The Deputy Commissioner,
Mysore District

Sir

With reference to your letter No.G 3 1146 of 32-33 dated the 8th August 1933 bringing to the notice of Government that the proprietors of the New Opera Talkies and the Krishna Cinema at Mysore have reduced the rates of admission from 4 annas to Re 0-3-11 with a view to evade payment of the entertainments tax and soliciting instructions as to whether the licenses granted to them may be suspended till they restore the old rate, I am directed to state that in the absence of any provision in the Amusements Tax Regulation, VIII of 1932, to prevent the rate of admission to an entertainment being fixed by the proprietor as he thinks fit, no action can be taken against the proprietors as proposed by you

I have the honor to be,
Sir,
Your most obedient servant,

8/11

for General Secretary to Government

S R 2